

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE (CFMAC)
Meeting Minutes
January 9, 2006
Torrance, California**

MEMBERS

Gene Etheridge
Scott Beylik
Dennis Peitso
Russell Hall
Jim Russell
Jim Eldon
Joan Taramasso
Harry Brown-Hiegel
Greta Dunlap
Howell Tumlin
Mary Lou Weiss
Scott Hudson
Karol Jo Kappel

ALTERNATES MEMBERS

Mary Hillebrecht
Kurt Floren, Voting
Amelia Saltsman

INTERESTED PARTIES

Gerrie Watkins, Redondo Beach CFM

CDFA

Janice Price
Steve Patton
Susan Shelton

ITEM 1: ROLL CALL

Gene Etheridge called the Certified Farmers' Market Advisory Committee (CFMAC) meeting to order at 10:00 a.m. Gene led the committee in the pledge of allegiance. Janice Price called the roll and a quorum was established.

A. INTRODUCTION OF GUESTS

Introductions of guests were made.

ITEM 2: APPROVAL OF NOVEMBER 15, 2005 MEETING MINUTES

MOTION: Mary Lou Weiss moved to approve the minutes as submitted. Greta Dunlap seconded. The motion passed unanimously.

ITEM 3: APPROVAL OF AGENDA

Gene Etheridge requested that Jim Eldon's name be added to the agenda under item 7.j.

MOTION: Jim Eldon moved to approve the agenda as amended. Karol Jo Kappel seconded. The motion passed unanimously.

ITEM 4: CDFA REPORTS – JANICE PRICE

A. CFM REMITTANCE FEE AND DELINQUENT MARKET REPORTS

The CFM Remittance Fee Reports as of December 21, 2005 was handed out to the committee members. Janice explained that the first quarter of 2005 shows three delinquent markets; however, it should be eight. As of the report date, fees paid in 2005 totaled \$137,502.90.

The Delinquent Reports for the first, second and third quarters of 2005 were given to the committee members.

B. CFMAC REAPPOINTMENT QUESTIONNAIRE, PROSPECTIVE MEMBER APPLICATION AND INDUSTRY LETTER OF RECOMMENDATION

Janice reminded those committee members and alternates whose terms are expiring that they need to return their reappointment questionnaire to CDFA. If they are interested in reappointment they also need to include the Prospective Member Application and an industry letter of recommendation.

C. OTHER REPORTS/ANNOUNCEMENTS

Janice Price announced that effective January 1, 2006 she was appointed as manager of the contracts and purchasing department in CDFA. She thanked the committee for the memorable years that she has worked in the program and expressed that it has been a priceless experience.

Janice introduced Steve Patton and announced that he would be the interim supervisor of CDFA's CFM Program. Steve has worked for the Inspection and Compliance Branch in the Standardization Program for many years and is familiar with the CFM Program.

On December 14, 2005 the latest list of revoked, suspended, or cancelled certified producers' certificates and/or administrative civil penalties levied upon certified farmers' market participants was sent out. The letter was sent to the County Agricultural Commissioners and copied to the CFMAC.

Harry Brown-Hiegel, Phil McGrath, and Fred Kosmo will be completing their fourth terms as members of the CFMAC. Janice presented Harry with a resolution signed by Nate Dechoretz, Inspection Services Director and A.G. Kawamura, CDFA Secretary. The resolution honored his contributions,

dedication, loyalty, commitment and support of the direct marketing industry. Resolutions will also be sent to Phil and Fred.

Harry stated that the industry is in a different place then it was when he first became involved in 1977. He petitioned the committee to use the experience that has been gleaned to shape the future of CFMs and continue to reach out to the small farmer.

ITEM 5: AGRICULTURAL COMMISSIONER'S REPORT

No report at this time.

ITEM 6: CHAIRMAN'S REPORT – GENE ETHERIDGE

Gene Etheridge stated that he felt that the November 15th meeting showed a slide-back in the direction of the program. He cautioned the committee to be careful to not revert to old ways, but to remember that we have a future effect on changes to the industry.

ITEM 7: COMMITTEE REPORTS/BUSINESS

A. LONG RANGE PLANNING SUBCOMMITTEE – GRETA DUNLAP, CHAIR

Greta Dunlap reported that the subcommittee met via teleconference on December 7, 2005. A handout of the meeting's minutes was given to each committee member.

1. State of CFM Industry Letter & Survey Summaries to Secretary AG Kawamura

A summary of the survey results and a draft copy of a letter to Secretary Kawamura were given to each committee member. Greta explained that the subcommittee recommends sending the letter to the Secretary. She also stated that a meeting would then be requested with the Secretary, Gene Etheridge, Nate Dechoretz, Rick Jensen and Steve Patton.

The committee discussed the letter and requested the following changes:

- Change "Many Producers" to "___ % of producers"
"Many ___% of producers indicated they would be willing to pay more than the \$.60 fee per market if a portion of the fee went into promoting the Farmers' Market Program."
- Delete Janice Price's name from the cc
- Add Steve Patton to the cc

MOTION: Greta Dunlap moved to approve the letter as amended and send it to Secretary Kawamura. Jim Eldon seconded. The motion passed unanimously.

Greta reviewed the survey summaries with the committee. She stated that the reoccurring themes from the surveys were the expressed need for:

- A better enforcement program
- More uniform fee schedule
- Better funding to properly run the program
- Promotions
- Value-added products

B. FINANCE SUBCOMMITTEE – SCOTT BEYLIK, CHAIR

No report at this time.

C. MARKET STANDARDS/MANAGER CERTIFICATION SUBCOMMITTEE – HOWELL TUMLIN, CHAIR

No report at this time.

D. ENFORCEMENT/MATRIX SUBCOMMITTEE – SCOTT HUDSON, CHAIR

Scott Hudson stated that he would be scheduling a meeting of this subcommittee in the near future. He explained that he plans to use the Weights and Measures matrix, currently in regulation, as a model for the CFM penalty matrix.

1. Recommend Regulation Proposal for Direct Marketing Administrative Penalty Matrix Guidelines – Janice Price

Janice explained that the Standardization Program is planning to put enforcement regulations in place. She stated that the CFMAC enforcement matrix could be submitted to the Office of Administrative Law at the same time.

2. Recommend Regulation Proposal to Clarify Certified Producer Certificate (CPC) Requirements – Janice Price

Janice recommended that the committee work on regulation wording that states that CPC's must be current, valid, embossed, and posted at each CFM stall. According to CDFA legal opinion current regulation does not specifically state this as a requirement.

E. NON-CERTIFIABLE AGRICULTURAL PRODUCTS SUBCOMMITTEE – JIM RUSSELL, CHAIR

Jim Russell asked for clarification on the status of the definitions that were proposed by the Non-Certifiable Ag. Products Subcommittee and approved by the CFMAC at the September meeting. Janice explained that we are waiting for the proposals to be presented at the next CACASA meeting. Before trying to place these items into regulation we must have the support of the County Agricultural Commissioners.

There was a discussion regarding coating being added into regulation. Kurt Floren stated that this is a potential issue for the County Agricultural Commissioners. Scott Hudson volunteered to email all the commissioners to get their feel for this issue. He will forward any responses to Jim Russell.

F. POLICY AND PROCEDURES SUBCOMMITTEE – HOWELL TUMLIN, CHAIR

Howell Tumlin reported that the subcommittee met via teleconference on December 5, 2005. Handouts of the meetings' minutes were given to each committee member.

Howell expressed an interest in receiving a status report on regulation proposals that have been approved by this committee. Other committee members also stated that they are interested in a tracking system for proposals.

MOTION: Jim Eldon moved to request that CDFA develop a status report of proposed regulations. Jim Russell seconded. The motion passed unanimously.

G. CACASA/CFMAC COORDINATION SUBCOMMITTEE – SCOTT HUDSON

Scott Hudson reported on the CACASA/CFMAC Coordinating Group's proposed changes to the CFM enforcement program. A handout was given to the committee that outlined the following changes in detail:

- Change from a field inspection program to an audit inspection program
- Fund the county field enforcement program through stall fees (\$1 for small producers and \$3 for large producers)
- Require more information on CPCs
- Changes to load lists
- Change nursery stock from a certified to a non-certifiable agricultural product

- Allow processed agricultural products at CFMs only if funded and if enforcement procedures were incorporated.

These changes would require a legislative change/adoption and would require new regulations. A lengthy discussion ensued regarding the specifics of these changes, current funding, and future funding.

MOTION: Howell Tumlin moved to support, in principal, the funding portion of this proposal. Scott Hudson seconded. The motion passed unanimously.

MOTION: Howell Tumlin moved to support, in principal, the audit based inspection program outlined in this proposal. Scott Beylik seconded. The motion passed unanimously.

H. MARKETING/EDUCATION SUBCOMMITTEE – GRETA DUNLAP

No report at this time.

I. CDFA SECRETARY'S REQUEST FOR 10 YEAR VISION STATEMENT – JANICE PRICE

As this item has been on the agenda for a year without action, Janice recommended that the committee move forward with writing a ten-year vision statement for the Secretary. It was decided that the Long Range Planning Subcommittee would take this on.

J. SUBCOMMITTEE NON-ATTENDANCE – JIM ELDON

Jim Eldon implored the committee to participate in subcommittee teleconferences when they volunteer to be part of a subcommittee. He also suggested that if one cannot join the meeting then let the subcommittee chair know ahead of time. He explained that valuable time is wasted when a quorum cannot be established.

K. ELECTION OF OFFICERS – GENE ETHERIDGE

Karol Jo Kappell nominated Gene Etheridge for CFMAC Chair. Gene accepted the nomination. No other nominations were given.

MOTION: Jim Russell moved to close the nomination process and accept Gene Etheridge as Chair. Jim Eldon seconded. The motion passed unanimously.

Howell Tumlin nominated Scott Beylik for CFMAC Vice Chair. Scott accepted the nomination. No other nominations were given.

MOTION: Scott Beylik moved to close the nomination process and accept Scott Beylik as Vice Chair. Dennis Peitso seconded. The motion passed unanimously.

ITEM 8: NEW BUSINESS – DISCUSSION ONLY

Harry Brown-Hiegel asked for an explanation of the notification process for delinquent market payments. Janice explained that if a payment is 30 days late, or if the market has not called to say they were non-operational that a written notice is sent to the market. After 60 days a letter is sent to the market explaining the \$100 late fee. After 90 days a certified letter is sent to the market and the market sponsor. Concurrently, a letter is sent to the Agricultural Commissioner requesting that they deny the renewal of the next certificate until the account is paid in full.

Mary Hillebrecht requested that the issue of subcommittee voting membership be added to the next meeting agenda.

Janice Price reminded the committee that if state funding is not increased by fiscal year 2006/07, then services would start to diminish since the current program is not paying for itself. She also reiterated that the current program debt, including personnel services, would have to be paid back.

ITEM 9: MEMBER ROUNDTABLE DISCUSSION – GENE ETHERIDGE

Each committee member and alternate in attendance thanked Janice for her diligent work in the farmers' market industry. They stated that she has always been clear, open and decisive, handled difficult circumstances with grace, been passionate about the program, worked hard, and will be sorely missed.

Steve Patton thanked the committee for welcoming him into the diverse field of CFMs and stated he looks forward to the challenging work ahead.

Scott Hudson suggested that the option of becoming a commission should be reviewed. He stated that it might be a better way to reach the goals of the program.

Rusty Hall expressed his desire to provide more opportunities for the small farmer to make money within the markets. He stated that value-added products provide a revenue stream that could be better utilized.

Dennis Peitso and Mary Lou Weiss stated the importance of educating the farmers regarding the need for increase fees. Janice Price suggested holding listening sessions. Mary Lou also suggested that those who offer value-added products should pay a higher fee at the markets.

Janice stated that the Market Standards Subcommittee might want to work on clarifying the designation of CFMs so the consumers may understand the boundaries and what is and is not part of the market.

ITEM 10: NEXT MEETING

The next meeting has been scheduled for March 13, 2006 in Sacramento, CA.

ITEM 11: SCHEDULE BALANCE OF 2006 MEETINGS

Meetings for the remainder of 2006 will be as follows: May 8, 2006 in Torrance, July 10, 2006 in Sacramento, September 11, 2006 in Torrance, November 13, 2006 in Sacramento.

ITEM 12: ADJOURNMENT

The Committee adjourned at 5:14 p.m.

Respectfully submitted by:

Steve Patton, Interim Supervisor
Certified Farmers' Market Program
Inspection and Compliance Branch